

BANKRUPTCY CLERK'S NEWSLETTER

District of North Dakota

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NEWS FROM THE ADMINISTRATIVE OFFICE

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Implementing the Privacy Amendments

Work is underway at the Administrative Office and in the bankruptcy courts to implement the pending privacy amendments to Federal Rules of Bankruptcy Procedure 1005, 1007, and 2002, and Bankruptcy Official Forms 1, 3, 5, 6, 7, 8, 9, 10, 16A, 16C, and 19. Copies of the amended rules and forms, which are scheduled to take effect on December 1, 2003, are available on the Rule Making page of the Judiciary's website at www.uscourts.gov/rules/newrules6.html, then click on "Amendments Submitted to the Judicial Conference (Sept. 2002)."

The privacy amendments, which were proposed by the Advisory Committee on Bankruptcy Rules and approved by the Judicial Conference, will take effect unless Congress acts otherwise before December 1. The amendments are consistent with the Judicial Conference's September 2001 policy statement that documents in bankruptcy cases should be made generally available electronically with the proviso that the Bankruptcy Code and Rules should be amended as necessary to allow the court to collect a debtor's full Social Security number but display only the last four digits. In addition, the amendments address several concerns raised by the E-Government Act discussed above.

As amended, the petition, Official Form 1, will contain only the last four digits of individual debtors' Social Security numbers, but the amendments to Rule 1007 will require debtors to submit a verified statement containing the full nine-digit number. The new Statement of Social Security Number will not be filed in the case or become part of the case file available to the public at the court or over the Internet. Copies of a form for the new statement will be distributed shortly.

Rule 2002 would be amended to require the clerk to include the debtor's full Social Security number in the copy of the meeting of creditors notice, Official Form 9, sent to creditors. The copy of the section 341 notice included in the court case file, however, will contain only the last four digits of the Social Security number. Official Form 16A, the full caption, will be amended to include only the last four digits. Accordingly, subsequent notices will either include the last four digits or none, if Official Form 16B, the short caption is used.

Filers — not the clerk — are responsible for redacting Social Security numbers and other personal identifiers such as dates of birth, financial account numbers, and names of minor children in documents they file with the court. Because pre-existing financial documents including personal identifiers may be filed as attachments to court papers, the courts may revise their local rules on filing these documents and other attachments.

Under the provisions of the E-Government Act, Pub. L. 107-347, signed by President Bush on December 17, filers have the option in certain circumstances of filing an unredacted version of a document under seal. In addition, many bankruptcy courts provide in their local electronic filing rules for filing extracts of attachments. Personal identifiers may be redacted when the extract is prepared for filing.

The privacy amendments require changes in both the bankruptcy courts' automated case management systems and in the courts' noticing process. CM/ECF, PACER (Public Access to Electronic Records), and VCIS (Voice Case Information System) will be revised so that the CM/ECF system stores the full nine-digit Social Security number submitted by the debtor but only the last four digits will be displayed on the public terminals in the clerk's office and given out on PACER and VCIS.

Creditors will be able to confirm that they have correctly identified the debtor in their records by using the debtor's name and address or by inputting a full nine-digit Social Security number in the look-up screens in PACER or the U.S. Party/Case Index system, which allows searches to determine whether or not a party is involved in federal litigation almost anywhere in the nation.

Changes also must be made at the handful of BANCAP and NIBS courts which are not expected to have completed implementation of the CM/ECF system by December 1. Just as in the CM/ECF courts, debtors will submit — rather than file — a verified statement containing their full Social Security number; the copy of the meeting of creditors notice sent to creditors will contain the nine-digit number; and the copy of the notice in the case file will only include the last four digits. Because the BANCAP and NIBS systems are being phased out, the information displayed on PACER, VCIS, and at the counter in these courts may be curtailed in the interim before the courts implement CM/ECF.

Work is underway at the Bankruptcy Noting Center to accommodate the changes in the noticing process for both the CM/ECF courts and the remaining BANCAP and NIBS courts.

CHAPTER 12 EXPIRES - AGAIN!

Chapter 12 of the Bankruptcy Code expired on July 1, 2003. Pending Chapter 12 cases will continue on as though there was no exception. As in the past when Chapter 12 expired, this may be a temporary expiration. We will keep you posted on our web site. You can click on "Chapter 12" and obtain the most recent information we have.

GOOD NEWS*LOWER YOUR COSTS

By Angie Altringer, Case Administrator

The Clerk's office recently implemented electronic mailing. In the past, attorneys have submitted the original plus three copies of the petition and that is no longer necessary. The U.S. Trustee and Michael Wagner, our Trustee in the western part of the state, have agreed to accept petition copies by e-mail. In order to keep your costs down, attorneys practicing in the Southwest and Northwest divisions of North Dakota need only send the original plus **one** copy of the petition and schedules. Attorneys practicing in the Southeast and Northeast divisions of the state, however, will need to send the original plus **two** copies. We will keep you updated if we can offer you even further reductions in copies.

If you have any questions, please give us a call anytime at 701-297-7100.

Case Management
CM / ECF
 Electronic Case Files

By Dianne Schmitz, Chief Deputy

You may have heard about our Case Management/Electronic Case Filing (CM/ECF) project. For those who have not, "CM" is the Judiciary's new case management system and will replace BANCAP (our current case management system) and PACER (Public Access to Court Electronic Records). Of greater importance to you, "ECF" is the Judiciary's new electronic case filing system that will allow you - once you have been trained and certified - to file bankruptcy-related pleadings directly from your computer.

With CM/ECF, you will be able to file bankruptcy cases, adversary proceedings, pleadings, and other documents "24/7" and receive immediate confirmation that your filing has been received and docketed. Real-time access to our case files will be provided and a variety of reports will be available. Also, parties will be able to receive e-mail notification of filings in cases of interest.

In addition, participating in CM/ECF will save time and lead to a significant reduction in paper, copying, courier, and mailing costs. At this time it is our intent that ECF will be entirely voluntary and we will continue to accept paper filings.

If all goes as planned, we hope to go "live" on CM in June 2004. After allowing ourselves a period of time to become comfortable with the new system, we plan to train parties who would be interested in giving ECF a try.



Public Outreach seminars have been scheduled to discuss the electronic case filing project at various locations throughout the state:

September 9, 2003 Commission Room 99 2 nd St. E Dickinson, ND 8:00 a.m. - 12:00 noon	September 10, 2003 Courtroom #2, William Guy Fed Bldg 220 East Rosser Ave Bismarck, ND 8:00- a.m. - 12:00 noon
September 11, 2003 Suite 220 Jury Assembly Room 655 1 st Ave. N. Fargo, ND 8:00 a.m. - 12:00 noon	September 23, 2003 Courtroom 2 nd Floor 102 N 4 th St. Grand Forks, ND 8:00 a.m. - 12: noon
September 24, 2003 Courtroom, 2 nd Floor 1 st St & 1 st Ave SW Minot, ND 8:00 a.m - 12:00 noon	

For further information regarding the seminar, call the Bankruptcy Clerk's Office at 701-297-7100 or register for the seminar via e-mail at RSVP@ndb.uscourts.gov.

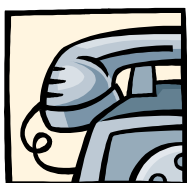
VIDEO CONFERENCES

The bankruptcy court recently began hearing matters scheduled in Bismarck by video conference. The use of video conferencing has greatly benefitted the court in time savings and we hope it has benefitted parties in time savings as well. While this practice is new to this court, it is becoming increasingly commonplace both in other districts and in the other courts within the District of North Dakota.

The Bankruptcy Court has established some guidelines to follow for video conferences. These guidelines can be found on our web site at <http://www.ndb.uscourts.gov/videoconferenceinfor.pdf>

As always we invite any comments or suggestions you might have.

800 Service to Pacer is Discontinued



It seems that most of our customers are using the Internet to connect to the Pacer (Public Access Court Electronic Records) and Racer (Remote Access Court Electronic Records) systems. After running statistics for our (1-800) Pacer dial-up line, it has become obvious that we no longer have enough calls per month to justify a toll free number for this system. We regret that we will no longer offer a toll free line to our Pacer system, effective immediately.

NORTH DAKOTA BANKRUPTCY STATISTICS FOR SIX MONTH PERIOD ENDING JUNE 30, 2003

	<u>2002</u>	<u>2003</u>	<u>CHANGE</u>
Cases	1000	1177	18%
Estates	1383	1592	15%
Joint Cases	383	415	8%
Business Cases	48	59	23%
Chapter 7 Cases	953	1108	16%
Chapter 11 Cases	5	3	(40%)
Chapter 12 Cases	1	13	1200%
Chapter 13 Cases	41	53	29%
Adversary Proceedings	34	31	(9%)